GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1055
ANSWERED ON:23.11.2007
IT EXEMPTION FOR SENIOR CITIZENS
Singh Kunwar Rewati Raman

Will the Minister of FINANCE be pleased to state:

(a) whether interest income, the only source of fixed income particularly for senior citizens and pensioners is not exempted from income-tax;

(b) if so, the reasons therefor;

(c) whether the Government will consider to increase the deduction limit for these categories; and

(d) if so, the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI S.S. PALANIMANICKAM)

(a)&(b) Income of senior citizens (including interest income) is exempt from tax upto a limit of Rs. 1,95,000/- as compared to the normal limit of Rs. 1,10,000/- in the case of any other man taxpayer and Rs. 1,45,000/- in the case of any other woman taxpayer.

(c) No change in the existing dispensation is contemplated at present.

(d) In view of (c), does not arise.